

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

Tenaz Energy Corp. (“**Tenaz**” or the “**Company**”)
Suite 700, 605 5th Ave. SW
Calgary, AB T2P 3H5

Item 2 Date of Material Change

October 6, 2025

Item 3 News Release

A news release disclosing the material change was disseminated through the facilities of Newsfile Corp. and filed on SEDAR+ on October 6, 2025.

Item 4 Summary of Material Change

On October 6, 2025, the Company and Tenaz Energy Europe B.V. (“**TEE**”), a wholly owned subsidiary of the Company, entered into a share purchase agreement (the “**SPA**”) with a private investment entity (“**Seller**”) and closed the acquisition of all of the issued and outstanding shares of a private company (“**Acquiree**”), a wholly owned subsidiary of Seller, for an aggregate purchase price of US\$244 million (C\$339 million), comprised of US\$232 million (C\$323 million) in cash and US\$12 million (C\$17 million) in Tenaz common shares (the “**Common Shares**”), with contingent consideration of up to US\$60 million (C\$83 million) based on the success of future exploration prospects (the “**Acquisition**”). Acquiree has working interests in the Gateway to the Ems¹ (“**GEMS**”) project on the boundary of the Dutch and German sectors of the North Sea.

The cash consideration for the Acquisition was funded with cash-on-hand and a private placement of 12.00% senior unsecured notes due 2029 (the “**Notes**”) issued under the Company’s trust indenture with Odyssey Trust Company dated November 14, 2024 (the “**Indenture**”) for gross proceeds of C\$178.9 million, which closed on October 3, 2025. The Notes are of the same series and have the same terms as the senior unsecured notes issued under the Indenture on November 14, 2024, with call and maturity dates of May 14, 2027 and November 14, 2029, respectively.

To further enhance available liquidity, Tenaz established new secured revolving reserve based lending facilities with a syndicate of lenders including National Bank Capital Markets, Canadian Imperial Bank of Commerce and Goldman Sachs in the amount of C\$115 million (the “**RBL Facility**”). The RBL Facility replaces the Company’s previous C\$20 million revolving credit facility.

¹ Gateway to the Ems refers to a location in the North Sea north of the mouth of the Ems River in northwestern Germany.

Item 5.1 Full Description of Material Change

On October 6, 2025, Tenaz entered into the SPA pursuant to which TEE acquired all of the issued and outstanding shares of Acquiree for an aggregate purchase price of US\$244 million (C\$339 million), comprised of US\$232 million (C\$323 million) in cash and US\$12 million (C\$17 million) in Common Shares, with contingent consideration of up to US\$60 million (C\$83 million) based on the success of future exploration prospects. Net production from the assets is estimated to be 3,200 boe/d (99% TTF natural gas) during 2025, increasing to approximately 7,000 boe/d during 2026.

Asset Description

Geology

Production is from the Basal Rotliegend Sandstone within the Permian-aged Lower Slochteren formation, deposited in a fluvial-to-deltaic environment in paleo lows. Gas is sourced from the underlying Carboniferous coals, with the claystones of the Silverpit Formation forming the seal in these tilted fault block pools. Along with well control that shows sandstone continuously present along an approximately 50 km long fairway, a combination of 2D and 3D seismic has been used to map multiple exploration prospects in the Basal Rotliegend. ONE-Dyas B.V. (“**ONE-Dyas**”), the largest private oil and gas company in the Netherlands, is the GEMS project operator.

Licenses

The GEMS project consists of five highly prospective licenses, three in the Netherlands and two in Germany, that cover 1,811 km² (447,000 acres) at an average distance of 30 km offshore in water depth of approximately 25 meters. Tenaz’s non-operated working interests in the licenses range from 22.5% to 45%. In addition to ONE-Dyas, other license partners are EBN in the Netherlands and ENI in Germany. The Netherlands has no royalty on gas production. Royalties in Germany are 5% of revenue net of operating costs.

The five acquired licenses and Tenaz’s non-operated working interests (“**WI**”) are listed below.

Dutch Licenses	WI	German Licenses	WI
N4/N5/N8 Blocks Production License	27%	H&L Blocks Extraction & Exploration License	27%
N7c Block Production License	22.5%	Geldsackplate Block Extraction & Exploration License	45%
4Quads Block Exploration License	45%		

Infrastructure

The assets include the currently producing N05-A platform, installed in August 2024, with a nameplate capacity of 225 MMcf/d. The N05-A platform is tied into the NGT offshore gas gathering system, in which Tenaz has pre-existing equity ownership, via a 13 km 20” pipeline. The N05-A platform will have a power supply connection to the Riffgat Windfarm in German waters. The integration of wind energy to power the GEMS assets means a considerable reduction

in emissions from the production platform for the life of the project, with the platform generating near zero emissions once running off wind power.

Current Production

Production from the N05-A platform began in March 2025 from the N05-A-01 well, in which Tenaz has a 33.3% working interest. The platform is in Netherlands waters, with the N05-A pool unitized across the Netherlands-German maritime border. The N05-A-01 discovery well for the N05-A pool tested at a rate of 54 MMcf/d². In the production phase, the well has gradually ramped up to a choked rate of 76 MMcf/d gross (25 MMcf/d net to Tenaz) into the NGT system at a calorific value of 809 btu/scf. The well is currently the highest producing rate well in the Netherlands.

The N05-A pool is estimated to have a gross P50 gas initially in place³ (“**GIIP**”) of 259 Bcf⁴ and estimated gross Total Proved + Probable (“**2P**”) recoverable gas of 219 Bcf (12.2 million boe net to Tenaz). The field will be further developed with two infill wells, with drilling planned to commence in Q4 2025.

Development and Exploration

In addition to the prolific N05-A field, the assets include two discovered and tested fields assigned Proved Undeveloped Reserves, four fields with discovered gas that have been assigned Contingent Resources due to uncertainty around timeline to development, and 14 exploration prospects which have been assigned Prospective Resources.

The two Proved Undeveloped fields are the N04-A field (27% net to Tenaz), in which the discovery well was tested in 2021 at 50 MMcf/d⁵, and the N04-C field (27% net to Tenaz), which was tested at 21 MMcf/d⁶ in 2023. These two Proved Undeveloped fields will be developed from the proposed N04 satellite platform. The N04 is planned to reuse a topside from a decommissioned Netherlands block tied back to the N05-A platform. Planned capacity for the N04 satellite platform is 130 MMcf/d. Installation of the satellite and development of the two N04 fields is estimated to occur in 2027, with production commencing in 2028. Combined, the two undeveloped fields have an estimated gross P50 GIIP of 248 Bcf, and an estimated gross 2P recoverable gas of 156 Bcf (7.1 million boe net to Tenaz).

McDaniel & Associates Consultants Ltd. (“**McDaniel**”) has assessed 14 exploration prospects on the licenses for Prospective Resources⁷. Three of these exploration prospects have been evaluated

² Flow test conducted over a 24 hour period with a 40 bar drawdown, limited by equipment.

³ All references to P50 GIIP and 2P recoverable volumes are based on the independent engineering reserves evaluation prepared by McDaniel dated October 1, 2025 and effective December 31, 2024.

⁴ “Bcf” means one billion standard cubic feet equivalent based upon a conversion ratio of one million (1,000,000) barrels of natural gas liquids, including condensate volumes, to six (6) Bcf of natural gas.

⁵ Flow test conducted over an 18 hour period with a 23 bar drawdown, limited by equipment.

⁶ Flow test conducted over an 8 hour period. An impaired packer impacted the duration of the test.

⁷ All references to contingent resources (“Contingent Resources”) and prospective resources (“Prospective Resources”) are based on the independent engineering resource evaluation prepared by McDaniel dated October 1, 2025 and effective December 31, 2024.

economically as they have clear execution plans and are anticipated to be drilled in the near term from the existing N05-A and planned N04 platforms. These three prospects total 358 Bcf of gross mean unrisks Prospective Resources (131 Bcf net to Tenaz), with a total of 210 Bcf gross risked Prospective Resources (79 Bcf net to Tenaz). The economic valuation of these three prospects totals an unrisks after-tax net present value discounted at 10 percent (“NPV₁₀”) of C\$546 million (€335 million) net to Tenaz, with a risked total of C\$306 million (€188 million) net to Tenaz. The N05-A partners have approved one of the three prospects, N05-A-Noord, which is expected to be drilled in the first half of 2026. The remaining 11 exploration prospects have been assessed only volumetrically at this time. These 11 prospects add an incremental 1,114 Bcf of gross mean unrisks Prospective Resources (330 Bcf net to Tenaz), with a total of 336 Bcf gross risked Prospective Resources (100 Bcf net to Tenaz).

The four discovered contingent fields are estimated to have total gross mean unrisks Contingent Resources of 389 Bcf (105 Bcf net to Tenaz), with a risked total of 243 Bcf (66 Bcf net to Tenaz). Because of their more distant location, these fields require future infrastructure build out beyond that currently under consideration for the N05-A and N04 hubs and are therefore considered contingent at this time.

Acquisition Consideration

Acquisition consideration consists of a cash payment of US\$232 million (C\$323 million), share consideration of US\$12 million (C\$17 million), and contingent consideration based on the success of future exploration prospects, as further detailed below. The economic effective date of the Acquisition is December 31, 2024.

Cash – Cash consideration of US\$232 million (C\$323 million).

Share Consideration – Share consideration of US\$12 million (C\$17 million) priced on the volume-weighted average trading price of the Common Shares on the Toronto Stock Exchange (“TSX”) for the 20 trading days (the “**20-day VWAP**”) commencing October 6, 2025 (the “**Consideration Share Pricing Period**”). Seller will receive a number of Common Shares equal to the quotient obtained by dividing US\$12 million by the 20-day VWAP as reported by the TSX, in Canadian dollars, calculated over the Consideration Share Pricing Period, converted into U.S. dollars at the Canadian to U.S. dollar exchange rate reported by the Bank of Canada on the last trading day of the Consideration Share Pricing Period. The Common Shares are required to be delivered to the Seller on the fifth trading day following the expiry of the Consideration Share Pricing Period. Based on the trading price of the Common Shares on October 6, 2025, approximately 830,000 Common Shares would be issued, equal to approximately 2.9% of the Company’s Common Shares outstanding. The Common Shares to be issued in connection with the Acquisition have received conditional listing approval from the TSX and will be subject to a four-month statutory hold period.

Contingent Consideration – Contingent consideration of up to US\$60 million (C\$83 million) is payable in connection with up to three future qualifying exploration discoveries during the period from October 6, 2025 to December 31, 2035 (the “**Exploration Contingent Payment Period**”). A new exploration discovery made within the acquired license area which is determined to contain at least 50 Bcf of gross estimated 2P reserves, or that produces 50 Bcf or more allocated to the

exploration payment area, qualifies for an exploration contingent payment of US\$20 million (C\$28 million).

In the case of the N05-A-Noord exploration prospect offsetting the existing N05-A pool, the contingent payment will be reduced to US\$10 million (\$14 million) if the discovery is of qualifying size but proves to be an extension of the N05-A pool. In this case, the maximum total payment for the exploration contingency would be US\$50 million (C\$70 million) in the event two additional qualifying exploration discoveries occur within the Exploration Contingent Payment Period. The partners have approved an exploration well into the N05-A-Noord prospect, with drilling expected to occur in the first half of 2026.

Acquisition Financing

Cash consideration for the Acquisition was funded with cash-on-hand, and a private placement of Notes completed on October 3, 2025 (the “**Offering**”).

The gross proceeds raised under the additional Notes were \$178.9 million, placed at an 8.4% premium to underlying par value of \$165 million. Call and maturity dates are the same as the original issue, May 2027 and November 2029, respectively. While the notes have a 12% coupon (as in the original issue), the premium at issuance results in a yield-to-maturity of approximately 9.5% on the new tranche of Notes.

The Notes accrue interest payable semi-annually in arrears and mature on November 14, 2029, unless earlier redeemed or repurchased. The Company has the right, at its option, to redeem the Notes in whole at any time or in part from time to time: (a) at any time prior to May 14, 2027, at a redemption price equal to 100% of the aggregate principal amount of the Notes redeemed plus the Applicable Premium (as defined in the Indenture) and accrued and unpaid interest, if any, to but excluding the date of redemption; and (b) at any time on or after May 14, 2027 at the redemption prices set forth below, plus accrued and unpaid interest, if any, to but excluding the date of redemption:

Year	Percentage
2027	106.000%
2028	103.000%
2029	100.000%

The net proceeds of the Offering were used to fund part of the cash consideration for the Acquisition.

The additional tranche of Notes was issued on the same terms as those currently issued and outstanding, including interest rate, maturity date and other terms and conditions within the Indenture. Combined with the original \$140 million tranche, the principle due at maturity for the senior unsecured notes is now \$305 million.

RBL Facility

The RBL Facility has a two-year term with semi-annual borrowing base redeterminations. Interest rates on the RBL Facility are determined using a benchmark rate plus a rate margin based on the

applicable benchmark and the Company's total net debt-to-EBITDA ratio (as such term is defined in the RBL Facility). The RBL Facility is subject to customary conditions for such facilities.

The RBL Facility remains undrawn after the Acquisition. If drawn, under current debt ratios and underlying Canadian Overnight Repo Rate Average index, the facility would bear an annual interest rate of 7.13%.

Reserves Report Volumes and Net Present Value

McDaniel prepared an independent engineering reserves evaluation of the reserves associated with the assets acquired in the Acquisition and have assigned 13.7 million boe of Total Proved ("1P") and 19.3 million boe (99% natural gas) of 2P reserves as at December 31, 2024 (the "**Reserves Report**")⁸. The 1P and 2P reserves assessments include 6 gross (1.75 net) development wells. McDaniel's evaluation forecasts that the assets will have a remaining economic production life of 14 years within the 2P case.

McDaniel's evaluation of 2P reserves and after-tax NPV₁₀ of the 2P reserves using the July 1, 2025 Consultant Average Price Forecast⁹, after taking into account estimated decommissioning costs, are shown in the table below. The decommissioning costs in the Reserve Report are C\$35 million (C\$9 million NPV₁₀) for Proved Developed Producing Reserves ("PDP") and C\$69 million (C\$17 million NPV₁₀) for 2P.

Reserve Category	Volume (MMboe)	Before-Tax NPV₁₀ (\$MM)	After-Tax NPV₁₀ (\$MM)
PDP	5.3	\$223	\$218
1P	13.7	\$461	\$394
2P	19.3	\$734	\$590

Resource Report and Net Present Value

The Company engaged McDaniel to independently evaluate and prepare a report of the GEMS contingent and prospective resources (the "**Resource Report**"). The Resource Report dated October 1, 2025 and effective December 31, 2024, using the July 1, 2025 Consultant Average Price Forecast, was prepared in accordance with National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities* and the resources and reserves definitions, standards and procedures set forth in the Canadian Oil and Gas Evaluation Handbook.

Low, best, and high estimates of Contingent Resources and Prospective Resources were evaluated for identified opportunities and included both an unrisksed and risksed result. The table below reflects the estimated net to Tenaz recoverable volumes for the four contingent fields and 14 exploration prospects evaluated. Of the 14 exploration prospects evaluated, a subset of three were

⁸ Independent engineering reserves evaluation prepared by McDaniel dated October 1, 2025 and effective December 31, 2024 and evaluated in Euros.

⁹ The forecast prices used are based on an average of the price decks of three independent engineering firms, GLJ Ltd., Sproule Associates Limited and McDaniel & Associates Consultants Ltd. (the "**Consultant Average Price Forecast**"). Euro denominated amounts have been translated by Tenaz to Canadian dollars at a 1.63 CAD per EUR exchange rate.

evaluated for unrisks and risks mean economic valuations. These three were chosen to be economically evaluated as they have clear execution plans and are anticipated to be drilled from the existing N05-A and planned N04 platforms.

Contingent Resources	Unrisked				Risked ¹⁰
	Low	Best	High	Mean	Mean
	Bcf	Bcf	Bcf	Bcf	Bcf
Discovered - Four Fields	69	103	142	105	66

Prospective Resources	Unrisked				Risked	Unrisked	Risked
	Low	Best	High	Mean	Mean	Mean Atax NPV ₁₀	Mean Atax NPV ₁₀
	Bcf	Bcf	Bcf	Bcf	Bcf	\$MM	\$MM
Economically Evaluated -Three Prospects	76	124	197	131	79	\$546	\$306
Volumetrically Evaluated -Eleven Prospects	136	286	583	330	100	N/A	N/A
Total Prospective Resources	211	410	780	461	179		

The foregoing summary is subject to, and is qualified in its entirety by, reference to the full text of the SPA, the Indenture and the RBL Facility, copies of which have been or will be filed with Canadian securities regulatory authorities on SEDAR+ at www.sedarplus.ca.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

¹⁰ The risked mean is the product of the unrisks mean multiplied by the chance of discovery and the chance of development. The chance of development is defined as the probability of a project being commercially viable. Quantifying the chance of development requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact:

Bradley Bennett, Chief Financial Officer

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Item 9 Date of Report

October 14, 2025

Advisories

Foreign Exchange

Canadian dollar values converted at a rate of 1.63 CAD/EUR and 1.39 CAD/USD where applicable.

Consultant Average Price Forecast

The forecast prices used are based on the Consultant Average Price Forecast. McDaniel employed pricing, and inflation rate assumptions as of July 1, 2025. From January 2025 to June 2025 actual realized TTF prices were used. The Consultant Average Price Forecast assumed TTF gas pricing of €41.56/MWh for 2025, €38.37/MWh for 2026, €35.12/MWh for 2027, €35.26/MWh for 2028 and €35.93/MWh for 2029.

Barrels of Oil Equivalent

The term barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. Per boe amounts have been calculated by using the conversion ratio six thousand cubic feet (“6 Mcf”) of natural gas to one barrel (“1 bbl”) of crude oil. The boe conversion ratio of 6 Mcf to 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalent of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Well Test Results

The well test results disclosed herein including production volumes should be considered to be preliminary. The well test results disclosed herein are not necessarily indicative of long-term performance or ultimate recovery. The reader is cautioned to not unduly rely on such data as such data may not be indicative of future performance of the wells.

Notes Offering

The Notes were offered for sale by National Bank Capital Markets to qualified buyers in Canada on a private placement basis pursuant to certain prospectus exemptions. The Notes were not offered or sold in the United States or to U.S. persons. This material change report does not constitute an offer to sell, or a solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such an offer, solicitation, or sale would be unlawful.

Forward-Looking Information

This material change report contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “budget”, “forecast”, “guidance”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “potential”, “intends”, “strategy” and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this material change report contains forward-looking information and statements pertaining to the Acquisition including the nature of the asset base, expected production, projected growth, expanded capacity, planned drilling, reserves and net present value, remaining economic productive life of the upstream assets, and resources.

The forward-looking information and statements contained in this material change report reflect several material factors and expectations and assumptions of Tenaz including, without limitation: the continued performance of Tenaz's oil and gas properties in a manner consistent with its past experiences; that Tenaz will continue to conduct its operations in a manner consistent with past operations; expectations regarding future development; the general continuance of current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; expectations regarding future acquisition opportunities; the accuracy of the estimates of the Company's reserves volumes and resources; certain commodity price, interest rate, inflation and other cost assumptions; the continued availability of oilfield services; and the continued availability of adequate debt and equity financing and cash flow from operations to fund its planned expenditures and obligations and commitments.

The Company believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable, but no assurance can be given that these factors, expectations, and assumptions will prove to be correct.

The forward-looking information and statements included in this material change report are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: the ability realize anticipated benefits from the Acquisition; changes in commodity prices; changes in the demand for, or supply of, the Company's products; unanticipated operating results or production declines; changes in tax or environmental laws, tariffs, royalty rates or other regulatory matters; changes in development plans of Tenaz or by third party operators of Tenaz's properties; increased debt levels or debt service requirements; inaccurate estimation of oil and gas reserve volumes or resources; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; a failure to obtain necessary approvals as proposed or at all and certain other risks detailed from time to time in the Company's public documents.

The forward-looking information and statements contained in this material change report speak only as of the date of this material change report, and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.